

## **AB 839 At-A-Glance Provisions**

(Business and Professions Code 19985et seq.)

- Limits charity fundraisers involving controlled games to nonprofit organizations that are qualified to conduct business in California; have been in existence for at least three years; and are exempt from taxation under the [Revenue and Taxation Code sections 23701](#) (a), (b), (d), (e), (f), (g), (k), (l), or (w).
- Requires eligible nonprofit organizations to register annually with the Bureau of Gambling Control, pay a registration fee of up to \$100 to cover the cost of administration and enforcement, and maintain annual disclosure reports for each event.
- Allows charities to conduct fundraisers using controlled games.
- Limits an eligible nonprofit organization to only one fundraiser per calendar year using controlled games.
- Allows eligible organizations that have multiple chapters to hold one fundraiser per chapter per calendar year.
- Limits each fundraiser to no more than five (5) hours in duration.
- Sets a limit of four (4) events per location, unless pre-approved by the Bureau of Gambling Control for a "rural" area.
- Prohibits cash prizes or wagers from being awarded to participants. Winners may be entitled to a donated prize. Individual prizes must not exceed a cash value of \$500, and total value of prizes awarded must not exceed a cash value of \$5,000 (Gift cards are not considered cash and are ok to award as prizes.)
- Requires at least 90% of the revenue (from a fundraiser using controlled games) to go directly to the eligible nonprofit organization.
- Prohibits more than 10% of the gross receipts of a fundraiser using controlled games from being paid as compensation to the entity or persons conducting the fundraiser, excluding a facility rental fee.
- Prohibits persons under 21 years of age from participating in the fundraiser.
- Requires any supplier of gambling equipment and/or dealer services used in the playing of the controlled games by an eligible organization to register with the Bureau of Gambling Control.
- Requires eligible organizations holding fundraisers using controlled games to maintain records for each fundraising event and **upon request** provide the Bureau of Gambling Control an itemized report which includes the following information:
  - Gross receipts;
  - List of recipients of the net profit;
  - The number of persons who participated in the fundraiser;
  - A list of direct costs incurred;
  - A list of all prizes awarded; and
  - Date, hours and location for each fundraiser held.

Authorizes the Bureau of Gambling Control to take legal action against a registrant for unsuitable conduct. Local jurisdictions may have additional requirements or limitations for nonprofit organizations conducting fundraising events where controlled games are used.